

# Retirement Issue

Important updates about attacks on your retirement benefits.

# Classifieds to Join Retirement Rally

Our employee retirement system is under attack. We need to fight back and let the Utah Legislature know how we feel about their plans to change our retirement system.

USEA has joined with the Utah Education Association, Utah Public Employees Association and the Fraternal Order of Police to organize the "Rally for Retirement" on February 6.

The purpose of this rally is to:

- Show unity among public employees.
- Show how many people will be affected by reduced retirement benefits.
- Show the importance of investing in education and public employees.

We also want to garner support for our retirement benefits and educate the Legislature and the

public on the following issues:

- We cannot attract and retain the best teachers, school employees, police officers and state employees to Utah if we continue to cut compensation.
- For years, education and public employees have given up increased salary and other benefits to maintain a strong retirement system.
- Drastic changes that will

Rally continued on pg 4

Newsletter of the Utah School Employees Association  
864 E. Arrowhead Lane,  
Murray, Utah 84107  
801-269-9320



# REVIEW

January 2010

## Retirement Faces Changes

Poor investment returns and weak economy provide impetus for examining employer contribution rates, making system contributory or changing benefits

As reported in the September issue of the USEA Review, the Utah Legislature is again considering changes to the Utah Retirement Systems (URS). Some legislators have been interested in moving the system to a Defined Contribution Plan (DC) and away from the current Defined Benefit (DB) Plan \*. They are using the economic downturn in Utah, and the entire country, as an opportunity to raise issues for changing the system once again.

For updates, please visit the USEA website at [www.useautah.org](http://www.useautah.org)

### The Problem

According to Robert Newman, URS Executive Director, the URS lost a significant amount of equity in the fund in 2008. Investment returns for 2008 were down by 22.4%, which does not include the additional 7.75% actuarial assumed return rate for that year.

However, the URS is still considered to be one of the best funded state pension programs in the country. The system currently has a funded ratio of 86%, putting Utah in the top 10% of states for pension funding levels. The high occurred in 2001 at 103.4% and has been as low as 74.6% in the early 1990's.

The URS uses a five year smoothing-period to average out market highs and lows. Based on this, the losses of 2008 will be spread over the next five years. This will require a 2.1% increase in the contribution rate for FY2011, beginning July 1, 2010. The URS also assumes a 7.75% annual rate of return on investments in their actuarial model. The URS investment returns for 2009 are currently between 12%-13%, well above the actuarial assumptions.

A presentation was made in November to the Utah Retirement and Independent Entities Committee by Gabriel Roeder Smith &

Company, Consultants & Actuaries (GRS). GRS presented several long-term projections under various scenarios.

While several scenarios were presented, the baseline scenario projects that contribution rates will increase beginning July 1, 2010 and continue to increase each year until peaking in 2016, after which the contribution rate remains constant until the plan becomes funded at 110%. Over the six year period between 2010 and 2016, contribution rates will increase 9.85%.

The GRS report also noted that: "Some observers believe that as the economy works its way out of the recession, we will see significant market recovery. If this occurs, the increase in the employer contribution rates over the next five years will not need to be as large. However, other observers believe that we have already experienced most of any recovery".

Continued on pg. 7

## Districts Seek Cost Shift to Employees

One piece of legislation already proposed in this year's session would allow school districts to shift the cost of newly required background checks to employees.

A new rule, adopted by the USOE in 2009, required school districts to conduct background checks on all their employees. New employees would be subjected to a full background check at hiring and districts would have up to six years to perform checks on all existing employees.

Individual background checks currently cost between \$20 and \$40 each and can take a few months to complete.

*"It boils down to a tax on people working in the educational system that hits lower paid employees especially hard."*

Representative Sheryl Allen, from Bountiful, has sponsored a bill (HB81) that will allow school districts to pass the costs of those background checks along to employees. Cash-strapped districts have already testified in Legislative Committee meetings that the total cost is too burdensome and needs to be passed on to employees.

## How Much Do You Know About Your Retirement?

Some people work in public schools for years before they learn anything about the Utah Retirement System. Check your Retirement I.Q. by taking this short quiz.

1. Our current pension plan is a defined contribution plan. T F
2. A school employee must work at least 10 years before becoming eligible for a URS retirement. T F
3. Your URS retirement is calculated on your last three years of earnings. T F
4. When you retire, you can choose from three payment options from URS. T F



Dreamstime Photo

5. Every year you work for a school employer counts as a year of service credit with URS. T F
6. One-time bonuses or stipends don't count as income for determining your URS retirement benefit. T F

7. URS retirement benefits cannot be included as part of a divorce settlement. T F
8. Employees planning to retire should contact URS at least 10 days before their final work day. T F
9. The URS retirement benefit includes health insurance for the retiree and spouse. T F
10. Pension payments received from URS are not taxable because school districts are public employers. T F

Answers on pg 7

Cost Shift on pg 4

## Let's Flick Out

Isn't it ironic that we can gain wisdom from a murder mystery or a scary show which keeps us on the edge of our seats, or that we can learn from a love story that causes some to blush, or even a comedy with the sole intent of keeping you laughing 'til you can't walk?

It doesn't even need to be at the theater. Some of the stuff we see on television does the same thing. In fact, I submit to you that we can find something noteworthy in 99% of the shows we watch, including sitcoms!

I better point out what I mean before you write me off as an imitation Archie Bunker. Who, by the way, had many quotable quotes during his reign in "All in the Family." For example, when he was speaking at his comical friend's funeral he said, "Having the blues takes years off your life. If that's true then it must be true that laughing puts years on your life". It isn't hard to know Archie's message here: Laugh, live and enjoy!

**PRISON!** That's right, gang, next we're going to learn something from prison. "The Shawshank Redemption" is the movie and the quote is: "Hope is a good thing. Maybe the best of things. And no good thing ever died". Tim Robbins, alias Andy, also said something which made me laugh to his Shawshank Prison sidekick, but it also made me think: "On



Rod Sims  
President

the outside I was an honest man. Straight as an arrow. I had to come to prison to be a crook." This taught me I had the potential to be good on my own, but to watch out for the influence of others. It also told me to laugh.

Alright! More life!

**COWBOY WESTERNS** for learning? Why not? Many of us saw Clint Eastwood in "The Outlaw Josey Wales." It impacted me when he, Josey Wales, told chief Ten Bears: "Dyin' ain't so hard for men like you and me. It's livin' that's hard." This tells me it's time for every USEA member to get off their donkey and onto a quarter horse and ride ahead, so we can get something done. We should be riding toward that meek and lowly camp fire where all those non-members are sitting around waiting to sign up. Getting warm?

Bottom line, let's flick out. There's something to be learned out there.

Picture this,  
**HOT ROD**

## Opinions

Members submitting opinions must sign their letters and be in good standing in their locals.

### Living in Fear

I'm an immigrant. Over 50 years ago, my family left a soon-to-be walled European city to begin a life in this blessed country. I was too young to read, but my mother recalls the generous words on the bottom of the welcoming statue in New York's harbor; "Give me your tired your poor...". My parents chose to escape a life of fear in search of a life of hard work and hope.

My parents were successful. They took risks to find the freedom of their dreams and lived good lives.

But even now, as I travel the scenic roads of Utah I see people who are not free. I see people (school employees) trapped by circumstance and by choice.

As the economy has slowed, employees have become timid. Instead of closing ranks and banding together for strength, too many are stepping into the shadows, trying to escape notice.

We should probably take a lesson from small fish that live in a very dangerous ocean. They depend on each other for survival. As a group they are formidable and can block out the light. By moving together they all eat well. But when the group is divided, or

when individual stragglers break away and become distracted by some tempting morsel along a beautiful reef, they become prey. Alone, they live in fear.

We have stragglers too; Co-workers who are afraid to stand up for themselves, or who think hiding in the shadows of their workplace will offer them protection.

We have co-workers going into disciplinary meetings alone, because they fear stirring the anger of an unhappy supervisor if they ask for proper representation.

We have co-workers afraid to open mail or read messages from their supervisors. They believe if the mail remains unopened, the contents somehow don't count.

We can learn something about fear from this old Swedish proverb: Worry gives a small thing a big shadow.

In 2010, perhaps we can take a co-worker by the hand and help them step away from the shadows. Fear limits dreams, and when we have all forgotten how to dream, it is impossible to swim forward.

Norbert Bensch  
editor

## Ogden Association Wins Back-Pay for Employees Working Last Summer

Over forty classified employees received retroactive pay adjustments for the days they worked the summer school program last year. The Ogden Classified Employees Association filed a grievance against the District for what they felt was a violation of policy and past practice which resulted in lower wages for classified employees.

Last spring the district hired secretaries and staff assistants to work additional days for the summer program. After the employees had been hired and accepted the job, the District notified them they would be paid less than their normal rate of pay. Past practice of the District was to pay employees of the summer program their regular rate of pay. Secretaries were paid \$12.78 and staff assistants earned \$11.90. In most cases, these amounts were substantially less their regular rates of pay. In some cases, the difference was as much as \$3.93 less per hour. It was not until a second letter was sent from their program direc-

tor that employees were informed that the District intended to pay a standardized, lower rate.

The Association leadership was not informed of this situation until July. Dave Shaw, the local chapter president, and Mike Christensen, USEA's Uniserve Representative, scheduled a meeting with the Human Resources Director to discuss concerns about the District's action. Dave Shaw reports, "We presented the facts, asked for them to conduct an investigation and asked that the District correct this situation." Two weeks later, the Association received a response indicating the District would stand by the decision and did not intend to correct the situation. Mike Christensen said, "We felt strongly that what they were doing was not fair to employees; that it violated the current contract. So I drafted a formal written grievance to be filed by the Chapter."

Shaw and Christensen met with the Human Resources Assistant in

charge of Classified Employees in a formal grievance meeting.

After some consideration, the Assistant sent a response that upheld the previous position, and said they did not intend to correct the problem. He defended their position by saying the employees were given adequate notice that their rate of pay was going to be less but they still agreed to work.

The Association then notified the District that they intended to pursue the grievance to the next step in the grievance process, and requested an appeal to Superintendent Noel Zabriske.

In the appeal meeting Shaw, Christensen and Luci Montano, Chapter Vice-President, reviewed the prior decisions of the District. They presented their position and explained why they viewed the actions of the District to be unfair and in violation of the negotiated contract. They asked that employ-

ees who had been negatively impacted by being paid the stipend rate (which was less than the regular rate of pay) receive the difference between the stipend and their regular hourly rate.

When Superintendent Zabriske issued his written findings, the officers were pleased. His written conclusion indicated his support of the Association request.

Employees negatively affected by the previous action would be compensated for the difference in pay.

About 45 individuals were affected by this grievance. While individual amounts of retroactive pay vary, some adjustments are as high as \$727.

This is another example of how the Association can help a united group of members grieve what they believe to be unfair treatment and resolve important issues.



## THE LAW

BY GEOFFREY LEONARD

Recent court cases have clarified the interpretation of FLSA provisions and DOL rules relating to the "executive" exemption, which provides that certain employees whose duties include management of an enterprise are exempt from the overtime pay requirements of FLSA. The important factor when evaluating these employees is the nature of the employee's duties, not the amount of time devoted to those duties. An employee might be exempt, even though a majority of their time is actually spent performing nonexempt duties.

In general, to qualify as exempt under the executive exemption, the employee must meet all of the following requirements.

- Be paid more than \$455 per week on a salary basis.

# Will FLSA Clarification Make You Exempt?

# 3

- Have as their primary duty of managing the enterprise or a customarily recognized department or subdivision of the enterprise.

- Customarily and regularly direct the work of at least two other full-time employees or equivalent and.

- Have the authority to hire or fire, or their suggestions and recommendations regarding hiring, firing, advancement, promotion, or other changes status are given "particular weight."

"Primary duty" is defined as the principal, main, major, or most important duty that the employee performs. Determination of an employee's primary duty must be based on all the facts in a particular case, with the major emphasis on the character of the employees job as a whole.

Factors that may be considered include:

- The relative importance of the employees. Management duties as compared with other types of duties.

- The amount of time spent performing management duties.

- The employee's relative freedom from direct supervision, and the relationship between the employee salary and wages paid to other employees for the kind of nonmanagement work performed by the employee.

An employee may perform both exempt and non-exempt tasks, and still be considered exempt. DOL has specifically declined to establish a specific percentage of time devoted to exempt duties necessary to classify an employee as exempt, and court cases have confirmed that that is not a determining factor.

Department of Labor rules say that "management" may include, but that it is not limited to the following activities: interviewing, selecting, and training of employees; setting and adjusting their rates of pay and hours of work; directing the work of employees; maintaining production or sales records for use in supervision or control; appraising employees productivity and efficiency for the purpose of recommending promotions or other changes in status; handling employee complaints and grievances; disciplining employees;

planning the work; determining the techniques to be used; apportioning the work among employees; determining the type of materials, supplies, machinery, equipment or tools to be used or merchandise to be bought, stocked, and sold; controlling the flow and distribution of materials or merchandise and supplies; providing for the safety and security of the employees or the property; planning and controlling the budget; and monitoring or implementing legal compliance measures.

An employee who "merely assists the manager of a particular department and supervises two or more employees only in the menu manager's absence does not meet the executive exemption requirement."

It is the employee's duties that matter, not their job title.

Some school districts may want to move employees to exempt status in order to save exposure to overtime pay.

If you believe you may be misclassified, contact your USEA Uniserv Director through your local president to get further advice.

## Davis Association Introduces Discount Benefit Program for Members

The Davis Educational Support Professionals Association, in cooperation with Davis School District, recently announced a new discount benefit program aimed specifically toward uninsured members.

The miSolution Discount Benefit program offers -  
ConsultaDoc - A national network of primary care physicians who will diagnose, suggest therapy and prescribe medication, when appropriate, 24/7.

Neighborhood Pharmacy - participating providers include Walgreen's and Costco.

Mail order pharmacy - save an average of 10% below AARP prices, or \$5 below the best retail price quote on meds costing over \$10.

Dental Care Discounts - Save 15% - 50% on everything from general dentistry to crowns and orthodontia.

Vision Care - Including discounts on prescription glasses, ophthalmology services including lasik, and contact lenses

Health and Wellness Discounts - Including discounts

on vitamins and diabetic supplies.

Roadside Assistance - Including limited towing, flat tires, fuel, oil and water delivery, battery assistance and lock-out assistance.

Travel Assist - Offering a worldwide network of medical and travel assistance personnel and emergency medical evacuation benefits when traveling over 100 miles from home and suffering illness or injury.

While this plan offers discounts as opposed to "insurance," the \$8 monthly fee for family access to the plan should make it a good option for those who are trying to stretch their dollars as far as possible.

Classified association building reps in Davis will be holding meetings during the last week of January to learn more about the program. They will also receive additional enrollment forms for those needing to join the Association.

Monthly premiums for the plan can be paid through payroll deductions or by credit card.

# determination

## Have you thought about our determination at Educators Mutual?



At Educators Mutual, we've committed our business to providing health, dental, vision and 401k benefit services for school employees.

That's why Educators Mutual offers affordable health care plans that provide access, value and solutions to help people enjoy better health while keeping their costs down.

We're proud to be affiliated with those committed to being the best at what they do, which is why we're honored to support USEA and their members.



### SALARY EQUITY

Straight percentage increases to employees are blatantly unfair to low wage workers. For example, with a 4% increase, a school administrator who earns \$66,000 per year receives a \$2,640 increase; a teacher with a bachelors degree making \$34,000 per year would see an additional \$1,360; and a full-time school secretary with an annual income of \$17,600 gets a \$704 increase. To address this inequity, the Legislature has enacted language in the Minimum School Finance Act requiring higher percentage compensation adjustments to classified school employee groups. A typical full-time 9-month employee who receives an additional five cents per hour would receive an additional \$72 per year.

USEA urges that current language remain in place to reaffirm the Legislature's commitment that compensation adjustments should be distributed to employees in a fair and equitable manner.

### PRIVATIZATION

USEA **Opposes** contracting out classified functions. Various attempts to privatize services in Utah's public schools have reaffirmed that privatization is not in the best interest of our school children or taxpayers.

### SPECIAL EDUCATION

USEA **Supports** full funding for all special education programs in public education.

### WEIGHTED PUPIL UNIT

The WPU is the basic funding source for Utah's school districts. Each District uses WPU funds for what it determines is the most essential to its students, parents and community. USEA urges education funding be through the WPU rather than earmarked appropriations to preserve this local control.

### Cost Shift

from pg 1

While no one is denying the financial plight of school districts, multiple problems with this proposal are obvious according to USEA Executive Director Mike Hepner.

Hepner is concerned about the burdens this would put on existing employees. "Many employees, food service workers, bus assistants, classroom assistants, etc., are restricted to working less than four hours per day. A \$40 background check fee is more than some part-time classified employees make in a full day of work. It boils down to a tax on people working in the educational system that hits lower paid employees especially hard."

Often in the past, Representative Allen has been sympathetic on education issues. If her bill passes, USEA fears school districts will have an even harder time competing for good employees with local employers who won't be charging employees to work.

If you would like to voice your opinion about HB81, Representative Allen can be reached through email at sherylallen@utah.gov.

Specifically, USEA urges that the WPU be funded at a level to provide full funding for: student enrollment growth; increased costs of benefits and fair compensation for all school employees.

### RETIREMENT

State retirement benefits are an important part of what attracts qualified people to serve as public employees. The existing Utah state retirement systems are well-managed and adequately funded, even in the present difficult economic times. No changes are necessary.

USEA urges full funding of Social Security and retirement benefits for all public employees.

### CHILD NUTRITION

USEA **Supports** fully funding the School Child Nutrition Program from proceeds of liquor sales.

### SAFE SCHOOLS

USEA **Supports** laws that enhance the school environment and create an atmosphere to promote learning. For the safety of students, patrons and staff, Utah needs strict laws penalizing those who vandalize school property and threaten the safety of the school environment.

### TRANSPORTATION

USEA **Supports** the full funding of all state-mandated student transportation, and supplemental funding to assist districts impacted by increasing fuel costs or extreme geographic challenges.

For safety reasons, all school-related travel should be in school buses operated by trained professional school bus drivers.

### USEA Board Backs Ethics

The USEA Executive Board has voted to support the petition drive sponsored by Utahns for Ethical Government that would put ethics reform on the ballot next November.

The UEG has a 21 page proposal that is aimed at:

- Establishing an independent ethics commission
- Setting campaign contribution limits; and
- Installing a clear code of conduct for state lawmakers.

Petition forms have been widely distributed as the sponsors try to gather over 95,000 signatures from registered voters throughout Utah.

UEG is also working feverishly to get their petitions online and to clear the path for accepting electronic signatures. Still to be resolved is the legal issue as to whether electronic signatures would be acceptable.

Current statutes that deal with initiative movements outline strict guidelines for paper petitions but offer no help in dealing with petitions electronically.

### PROFESSIONAL DEVELOPMENT

USEA **Supports** the development and funding of training for Classified Professionals. School employees should have learning opportunities to pursue excellence in their chosen profession. Proper training is essential to the quality and efficiency of the educational system.

### PRIVATE SCHOOL FUNDING

USEA **Opposes** public tax dollars being used to fund or help fund private, parochial or home-based schools. USEA believes public education should be publicly financed and accountable to elected school boards.

USEA **Opposes** tuition tax credits, school voucher systems, or any programs that negatively impact funding for public K-12 education.

### USEA ALSO SUPPORTS

- ✓ Independent hearing officers for termination proceedings
- ✓ Provisional employee protection
- ✓ Funding to better prepare schools for emergencies
- ✓ Provide bus assistants on every bus that transports disabled students
- ✓ Adequate funding for new facilities and proper staffing

### Census Seeks Workers

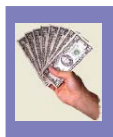
**2010 is a census year and the U.S. Census Bureau has asked USEA to help spread the word that it is looking for good workers in many Utah communities.**

**Available positions include census takers (or enumerators), crew leaders, crew leader assistants, recruiting assistants and census clerks.**

**All employees will be paid on an hourly basis and none can exceed 40 hours per week. Many of the positions have flexible hours and the assignments could be accomplished while still maintaining your school district employment.**

**More information, including a practice test, is available at [www.2010censusjobs.gov](http://www.2010censusjobs.gov).**

**Census takers and crew leader assistants usually work in their own communities and their work assignments can last for several weeks. The hourly pay rate for these positions compares favorably with many part-time school assignments.**



# Making Your Own “Credit Card Reform” Act

If you're upset about the way credit card issuers have been treating consumers, you're not alone. In the last several months, banks have been rushing to increase fees and interest rates, and to add a myriad other charges before the Credit CARD Act takes effect, freezing all these sundry charges at their current level.

If you have a credit card—or even if you don't—the chaos in the card market demands your attention. On May 22, 2009, President Obama signed the Credit CARD Act of 2009, which banned retroactive rate increases, required that terms remain stable for the entire first year of a contract, that card holders be given a reasonable time to pay monthly bills and so forth. The law was to become effective on February 22, 2010.

Soon after the legislation was announced, credit card issuers leapt into action, increasing existing fees, adding new ones and stuffing mailboxes with new contracts in tiny print announcing immediate changes. For years, banks pushed credit on consumers with little regard for their ability to repay. The longer it took for a cardholder to repay the debt, the more money the bank made. That was until too many consumers stopped paying. Then the banks decided they needed to tighten credit because they lost too much money to debtors who defaulted on their loans.

In one notable case profiled on Good Morning America, an Atlanta businessman had his credit limit lowered by American Express because he shopped at a Walmart store. The New York Times reported that Citibank raised the rate of a 91-year-old Florida woman to 29.9%. The woman's daughter asked that her mother's bills be forwarded to her so she could pay them. In the transition, two bills went unpaid.

Recent surveys by the Federal Reserve Bank and by Pew Charitable Trusts found that

these practices are widespread. The Fed said that 50% of the banks responding to a survey were increasing interest rates and reducing credit lines on borrowers with good credit scores. And 40% said they were adding more fees.

The Pew study found that the 12 largest banks, which issue more than 80% of credit cards, continued to use practices that were considered “unfair or deceptive” by the Fed.

The changes sparked such an outcry that on November 4, the House of Representatives voted 331-92 to make the law effective immediately via the Expedited CARD Reform for Consumers Act of 2009. As yet, the Senate has not scheduled a vote on the measure. So for now, we're on our own.

### What Should You Do?

1. Carefully read every communication you receive from your credit card issuers. A bank might announce, for instance, that it is raising the rate on the balance you already carry. Be on the lookout for every change announced in the mailing. Don't be fooled by changes that are introduced “for your convenience,” or “to improve services offered to you.” In the end, these changes can often end up costing you more. Some banks are adding “inactivity fees” or “insufficient activity fees” to cards that are not used often enough.

2. Don't cancel a card in haste. Not so long ago, experts were telling us that we should just move on to a better and lower-cost card if we didn't like what we had. That advice no longer holds. Credit is becoming much harder to get. I believe that banks, if they are pushed to the wall on the new regulations, will simply cancel “mediocre” customers, even those with above-average credit scores. Be sure you have the credit you need before dropping a card.

3. Don't cancel a card with an outstanding

balance as the issuer might raise your interest rate before you can pay off the card. If you do want to cancel a card, pay off the balance before you cancel. You can cancel most cards over the phone, but be sure you request that the issuer sends you written confirmation that the account has been closed.

4. Check your credit record annually and make certain that it's correct. If you have requested that a card be canceled, your report should say that it was closed “by cardholder request.”

5. Collect the information on all the cards you have including the fees, interest rates, grace periods and anything else that affects your payments. That way, if you ever see something unexpected on your statement, you'll have the terms available for easy reference.

6. Reevaluate reward cards and other special cards. Experts are predicting that fees will be going up and rewards will be going down on these cards. Also be sure that you know if/when any points or miles you've accrued may expire.

7. Don't go over your credit limit, pay late or pay only the minimum amount if you can avoid it. These are all reasons that card issuers may use to increase your rate.

8. Look for a card from a credit union, association or other affinity group. These organizations are often able to offer better terms than banks.

Going forward, it will be more difficult and more expensive for Americans to use credit. By managing your credit wisely, however, you can ensure that you always have the credit you need without paying expensive fees and high interest rates.

## Alpine Goes Bear for Christmas

by Kimberly James

Each year Alpine Education Support Professionals (AESP) searches for a service project to support our community. This year we were proud to sponsor a teddy bear drive. Teddy bears, stuffed animals and blankets were collected and donated to local police and fire departments, division of child resources and woman's shelters.

This great service project began by AESP president, Kimberly James, sharing a personal story with the head custodians and asking them to be the leaders in a very worthy cause. Scott Huntington, from Shelley Elementary was the first to pledge support and the challenge was on—who would collect the most bears??

The competitive nature of Alpine shone through! Head custodians enlisted their administrators, teachers, students and classified personnel to help them achieve the elite status of most char-

itable school. Pleasant Grove Junior High School boasted more than 1,000 bears collected; Oak Canyon Junior High School, more than 600!!

After four weeks of collecting donations, the district office parking lot was filled with truck loads of bears. All the donations were to be loaded in a large box truck and delivered to Legacy Elementary media center to be sorted and bagged. We all laugh now, at the thought of all those bears fitting into one large box truck! The custodial crew at physical facilities certainly had their hands full with the transportation of these cuddly little creatures.

The crowning moment of this service project came during December's school board meeting. Police and fire personnel were invited to attend this meeting. AESP had the opportunity to honor our local heroes by sharing the inspiration behind

the teddy bear drive. We are so grateful for the service and dedication they give to our community, and the care in which they do it. Many of our members, as well as the leadership of USEA displayed support at the board meeting. The school board praised the AESP for the work they do and pledged their continuing support. They also thanked our honored guests for their attendance and dedication.

The teddy bear drive is continuing in some of our schools. Bryan Shoell, from Lindon Elementary tells us, they will continue to collect bears and donate them throughout the school year. There were so many people that played such a key role in this great service project. Each of them would tell you that it was a privilege to be a part of such a great project and the people who make up Alpine School District are all heart!!



We want to make  
sure you're

# PREPARED

for retirement.

At the new [neamb.com](http://neamb.com), you'll find tools  
to help make retirement more manageable.



For help planning your retirement,  
go to [neamb.com/retire](http://neamb.com/retire)

- Give yourself a 5-minute retirement checkup
- Find out about tax-deferred investing
- Calculate your monthly retirement income and expenses
- Get important information about managing your money in retirement
- Download a 403(b) Toolkit

YOUR DEDICATION DRIVES OURS<sup>SM</sup>

NEA Member Benefits

VB591109

## Retirement Changes

from pg. 1

### Possible Changes

\* Some changes have already been proposed. Other possible changes to the URS that may be considered include:

\* SB 43 Suspend or lower post-retiree employee's contribution to their 401K (employees that retire and then return to work for an employer that participates in URS);

· Extend the final average salary period from the three highest years to five years;

· Replace the current Defined Benefit (DB) system with a Defined Contribution (DC) system;

· Provide only a Defined Contribution system for all new employees;

· Convert the non-contributory system to a contributory system;

· Reduce the current 2% of salary per year multiplier to 1.9%;

\* SB 94 Eliminate or reduce the

employer's 1.5% of salary contribution to the employee's 401k;

\* SB 42 Set a minimum age requirement for retirement eligibility at 35 years of service;

· Increase the vesting period for new employees (currently 4 years);

· Develop a "hybrid" contributory/non-contributory system.

Any of the above mentioned changes to the retirement system would require legislative action. While no decisions have been made at this time, we expect legislation will be presented in the 2010 Legislative session to make some changes to the current system.

### USEA's Position

· USEA believes that the Utah Retirement System is financially sound with a current funded ratio of 86%.

· The benefits provided by URS are an important part of what attracts and retains quality employees for Utah and its political subdivisions.

· We are encouraging legislators to proceed with caution; the Utah Retirement System is designed to operate over the long term and there is no need for a knee-jerk reaction to the current situation.

· USEA believes that a legislative task force would be appropriate to consider the long-term needs of the system.

· The current system has served Utah well and any changes should be made only after careful investigation of the long-term impact.

USEA is working in coalition with other like-minded organizations and we will continue to monitor this important issue for our members.

USEA testified in the November 12th committee meeting and will continue to take an active role in working with decision-makers to protect your benefits. We will keep you informed of any changes on these issues. For updates, please visit the USEA website at [www.useautah.org](http://www.useautah.org).

\*For more information about DB & DC plans, please go to: [http://www.urs.org/news/db\\_vs\\_dc.shtml](http://www.urs.org/news/db_vs_dc.shtml).

### Retirement Quiz Answers

from pg 1

1. **False** - Our current pension plan is a defined benefit plan.
2. **False** - A school employee could earn a retirement benefit after only 4 years of service.
3. **False** - The retirement benefit is currently based on your three highest years of earnings.
4. **False** - There are at least six payment options available through URS.
5. **False** - You must work a minimum number of hours to earn a year of service credit with URS.
6. **False** - All earnings reported by the employer count as earnings in determining the retirement benefit.
7. **False** - In Utah, retirement benefits can be allocated as part of a divorce decree or settlement.
8. **False** - Unless you want to wait a while before receiving your first pension check, you should contact URS at least 90 days prior to your projected retirement date. (Some districts also require advance notification to qualify for separation or post-retirement benefits.)
9. **False** - The URS does not provide medical benefits as part of your retirement award.
10. **False** - Pension payments from URS are taxable as income but there are no additional FICA deductions because URS is not an employer.

### Rally

from pg 1

impact future generations should not be made without fully understanding if the changes are necessary and exploring all possible solutions. Current proposals are based on only two Legislative Interim meetings.

- Like all businesses and individuals, the Utah Retirement Systems experienced investment losses during the recession, but the economy is rebounding. The URS remains one of the best funded systems in the nation. In fact, the URS's own board and officers say the system is financially sound.
- Research shows defined benefit retirement plans can actually save taxpayers money and are a good taxpayer investment.
- This is a very important issue that will be closely watched by the 180,000 participants in the Utah Retirement Systems and their families.
- The URS was founded by Utah state employees for Utah state employees. Let them decide if changes are needed in their system.

### Can't Rally?

USEA understands that conflicts of schedules or distance might have kept some people from attending the Rally for Retirement at the capitol, but everyone can still help. Access [USEAUTAH.org](http://USEAUTAH.org) and use the links provided to contact your legislators about this critical issue. Updates on this and other important issues will also be available throughout the Legislative Session on this site. Use the talking points above to help focus your comments to legislators.

2010 MEMBERSHIP DRIVE

# USEA

## Educational Support Professionals

### **BAND TOGETHER!**

It is more important than ever for all ESP's to unite so that your Association has the strength to protect your jobs, wages and benefits.



Enroll your co-workers today, and earn some extra cash!

• **\$20** Jan 1st - Feb 15th

Receive \$20 for each new member you enroll

• **\$15** Feb 16th - March 31st

Receive \$15 for each new member you enroll

• **\$10** After March 31st

Receive \$10 for each new member you enroll

Applications must be postmarked or received in the USEA office by above dates



**Utah School Employees Association**

864 E Arrowhead Lane  
Murray, UT 84107

Phone: 801-269-9320  
Phone: 1-800-662-6544  
Fax: 801-269-9324

Membership forms available on our website: [www.useautah.org](http://www.useautah.org)

USEA review [USEAUTAH.org](http://USEAUTAH.org)

# Bits & Pieces



**USEA Review**  
**UTAH SCHOOL**  
**EMPLOYEES ASSOCIATION**  
 864 East Arrowhead Lane Murray, Utah 84107-5211

PRSR STD  
 U.S. POSTAGE  
 PAID  
 Salt Lake City, Utah  
 PERMIT NO. 6085

## 2010 USEA Calendar USEA Board Meetings

**February 6**  
**March 20**

## Spring Local Officers Workshop

March 20

## Nomination / Resolution Deadline

**March 1**

## Delegate Conference St. George

**April 23 - 24**

## Scholarship Aps Due March 1

Applications for USEA scholarships must be received by March 1. The scholarships are co-sponsored by Educators Mutual Insurance. Applicants must be USEA members or members of their immediate family.

## USEA Asks for Address Updates

It's amazing how many people fail to get their USEA mailings or phone calls from their local officers.

This isn't because we're not trying to reach you. It's usually because you've changed addresses or your phone number.

If you have an address or phone change, please contact the USEA office with an update so that you can continue to receive all the benefits to which you are entitled.

## Superintendent Correction

In our last issue the Review reported that Superintendent Martell Menlove (Box Elder) left his position to become the Assistant Superintendent at the Utah Office of Education. His correct title is Deputy Superintendent.

## USEA Aids Launch of Custodial Group

A new organization formed by several key custodial supervisors in Utah school districts has been created to provide a forum for discussion of their common interests.

The Utah School Custodial Managers Association, or US-CMA, was formed after several informal planning meetings.

The first USCMA general group session was offered in November 2009. Guest speakers discussed common issues in dealing with personnel and several vendors provided interesting product displays to educate those in attendance during their break periods.

"Organizations are already in



Participants at the first Custodial Leadership Seminar speak with one of the vendors who attended the session.

place for Food Service, Business Administrators, Transportation Directors, and Human Resources Officials," said Mike Hepner. "Our members and the educational system will benefit from improved communications and standardized professional practices that will be available through the formation of this group."

The rewards card that comes with a benefit  
 you won't find anyplace else:

the NEA in your corner.

Low  
 member rates  
 No annual fee



Choice of unlimited  
 cash, travel or  
 merchandise rewards  
 starting at just  
 2,500 points.

The NEA Credit Card™  
 with WorldPoints® rewards.

This card gives you great benefits for a reason: the NEA, as your advocate, has negotiated them exclusively for you, and we're always available to handle any concerns. These benefits include 2.99% Introductory Annual Percentage Rate (APR)\* on balance transfers and direct deposits for the first 15 billing cycles, a low variable APR of 9.99% for purchases with the Platinum Plus credit card (see below for APR information for NEA School Days accounts), no annual fee, no blackout dates and choice of major U.S. airlines for reward travel. Now you can choose a card created with you in mind.

Visit [neamb.com/worldpoints](http://neamb.com/worldpoints) or call 1-888-758-7946  
 Mention Priority Code UAAPKA

\*The Annual Percentage Rate (APR) for Purchases, Balance Transfers, and Cash Advances is a variable rate, currently 9.99% for NEA Platinum Plus accounts, or 16.99% for NEA School Days accounts as of March 2009. The account you receive is determined based on your creditworthiness. The current introductory APR for Balance Transfers and Direct Deposits is 2.99% through your first 15 statement Closing Dates. If your payment is late or your balance exceeds the credit limit, the introductory APR will end and the advertised operation date. After the introductory APR ends, the standard variable APR for balance transfers will apply to any qualifying balance transfers and direct deposits that were subject to the introductory APR. Minimum Finance Charge is \$1.50. Transaction fee for Balance Transfers is 3% (minimum \$5, maximum 5%). Transaction fees will be waived on balance transfers requested at the time of application. Transaction fee for Cash Advances is 5% (minimum \$5). Transaction fee for any transaction made in a foreign currency is 3% of the U.S. Dollar amount of each such transaction. We reserve the right to change the Variable APRs in our discretion, including, for example, the margins. If your account has balances with different APRs, your payments are applied to the balance with the lowest APR before any payments are applied to balances with higher APRs. This means that balances with higher APRs are not reduced until balances with lower APRs have been paid off. The number of days between your statement Closing Date and your Payment Due Date (the grace period) may vary from one Billing Cycle to another. Cash Advances and/or Balance Transfers may not be used to pay off or pay down any account issued by FIA Card Services, N.A. This credit card program is issued and administered by FIA Card Services, N.A. Certain restrictions apply to these and other benefits as described in the benefits brochures sent soon after your account is opened. The NEA Credit Card Program has been developed for NEA members and their families only. If a member decides not to renew membership, that person and his/her family will no longer be eligible to receive the preferred rates, fees and special promotions offered through the NEA Credit Card Program. If eligible, a replacement card will be offered. MasterCard is a registered trademark of MasterCard International Incorporated, and is used by the issuer pursuant to license. WorldPoints and Platinum Plus are registered trademarks of FIA Card Services, N.A. Bank of America and the Bank of America logo are registered trademarks of Bank of America Corporation. NEA is the registered trademark of the National Education Association. The NEA Credit Card and NEA Member Benefits logo are service marks of NEA's Member Benefits Corporation, which are used by the issuer pursuant to license. The NEA is not involved in the credit decision process; standard credit procedures are followed. All applications are subject to confidential standard review by FIA Card Services, N.A. Absolutely no membership dues are used to market this program. © 2009 Bank of America Corporation

## UniServ Leaves USEA to Head Nevada Group

In October, Brian Christensen, resigned his position as a USEA Uniserv Director in order to accept a job as the Executive Director for the Clark County (Las Vegas) Classified Employees Association.

Brian had been on the staff at USEA since 2002 and has served as President of the Provo Classified Employees Association and as a member of the USEA Executive Board.

In addition to the Las Vegas area, the Clark County group includes employees in Mesquite, Henderson and Boulder City. USEA wishes Brian the best of luck in his new position.

## USEA Officers & Staff

<b>PRESIDENT</b>	<b>PRESIDENT-ELECT</b>
Rod Sims	Roger Pate
<b>EXECUTIVE BOARD</b>	
Reed Yonk	Area 1
Dave Shaw	Area 2
Mitch McMillan	Area 3
Jerad Reay	Area 4
Chris Marchbanks	Area 5
Sharon Bills	Area 6
Valerie Hopper	Area 7
Jeff Olsen	Area 8
Marilyn Twitchell	Area 9
Marie Leonard	Area 10

**EXECUTIVE DIRECTOR**  
 Mike Hepner

**DEPUTY DIRECTOR**  
 Mike Christensen

**UNISERV DIRECTORS**  
 Norbert Bensch  
 Nan Kirkpatrick  
 Bryan Sprague

**STAFF ATTORNEY**  
 Geoffrey Leonard

**SECRETARIES**  
 Wendi Kesler      Blaire Percifield

**OFFICE ASSISTANT**  
 Audrey Christensen

**NEA BOARD of DIRECTORS**  
 Ryan Anderson      Jesse DeHay

**USEA review EDITOR**  
 Norbert Bensch